

Puget Sound Partnership 2007-09 Biennial Budget and Potential Supplemental Budget Request

November 7, 2007

The 2007 Washington Legislature enacted a budget for the Puget Sound Partnership of \$11.7 million dollars and 38 staff positions. It is supported by funding from state, federal and local sources. While some of these dollars can be spent on a wide range of partnership activities, other dollars are specifically restricted to specific projects.

The Partnership's work for the remainder of the biennium is driven by three specific factors: the legislation creating the Partnership (ESSB 5372); the National Estuary Program work plan negotiated with the Environmental Protection Agency (EPA); and specific legislative budget provisos.

Partnership Legislation

Specific work outlined in the Partnership's legislation includes:

- Action Agenda Development (due September 1, 2008)
- Action Agenda Financing Strategy (due September 1, 2008)
- Strategic Science Program and Biennial Science Work plan
- Support of the Leadership Council, Ecosystem Coordinating Board and Science Panel.
- Developing criteria to designate Puget Sound Partners
- Review of state financial assistance programs to determine consistency with the Action Agenda.
- Regional Salmon Recovery organization

National Estuary Program

Prior to creation of the Partnership, the Puget Sound Action Team negotiated a scope of work with the EPA for activities related to the National Estuary Program. For federal fiscal year 2007 the Partnership anticipates receiving \$867,000. This funding requires an equal match of nonfederal funds. Specific work products included in the workplan includes:

- Action Agenda Development (\$546,000)
- Biennial Science Work plan (\$200,000)
- Oversight of implementation of the 2007-09 Puget Sound Conservation and Recovery Plan (\$300,000)
- Hood Canal On-Site Nitrogen Study (\$300,000)
- Pass through to the Department of Fish and Wildlife for Puget Sound Nearshore Ecosystem Restoration (\$100,000)

- Pass through to the Department of Ecology for a Puget Sound Toxics Loading Study (\$100,000)

Specific Legislative Budget Provisos

The legislature provided funding for specific activities to be undertaken by the Partnership including:

- Citizen Education and Engagement (\$2,000,000 with an additional \$2,500,000 to be matched by private sources)
- Tunicate Eradication Efforts (\$500,000)
- Stormwater Low-Impact Development assistance to local governments and the private sector. (\$500,000)

Funding from these sources can only be spent on the specific activity designated by the legislature.

Action Agenda Development

Although the final legislative budget provided additional funding for many of the activities outlined in the Partnerships enabling legislation, no additional funding was provided for development of the Action Agenda. At the time it was believed that the Partnership would primarily rely on existing staff as the Puget Sound Action Team had done when it developed the 2007 Puget Sound Conservation and Recovery Plan and the 2000 Puget Sound Water Quality Management Plan.

The FY 2007 NEP grant, signed after the budget was enacted, specifically provides \$358,000 in federal funds for Action Agenda development. This is matched by an equal amount of state funds for a total of \$716,000. There is an additional \$200,000 in existing dollars also proposed to fund Action Agenda Development.

Attached is an outline of the components and the budget for the Action Agenda. With the current approach under consideration by the Council, development of the Action Agenda is estimated to cost \$3.7 million. This is driven by the high level of analysis, scientific review, and public engagement as well as the short 11 month timeframe required for adoption of the Action Agenda. Development of the Action Agenda as currently envisioned is anticipated to cost an additional \$2.7 million above what is currently budgeted.

Question: What are the Council's views on the Partnership submitting a 2008 Supplemental Budget Request to the Governor for an additional \$2.7 million to complete the Action Agenda?

Staffing

The current Partnership organization chart identifies 22 employees (FTE). Although the agency is authorized 38 FTE there is not sufficient funding to support all of these positions. This results from matching requirements for the NEP grants, and unreasonably low salaries levels assumed for new positions when the budget was developed. Although a final FTE level has not been determined, adding more FTE's will require a reduction in other activities or additional funding.

Given that Action Agenda development will drive much of the work of the Partnership for the next year, fully staffing up to 38 FTEs is probably unrealistic. However, to help implement the Action Agenda additional staff is likely to be needed. Ramping up to 30 FTE by September 2008 would cost an additional \$550,000 in the second year of the biennium.

Question: What are the Council's views on the Partnership submitting a 2008 Supplemental Budget Request to the Governor for an additional \$550,000 for additional staffing to implement the Action Agenda?

Puget Sound Action Agenda Budget Summary

	Category and Task	Biennial Cost Estimate	Current Funding		Difference
			Total	Biennial Total	
A	Document Production/Management Production of the Action Agenda: Includes writing, graphics, preparing review drafts and the final Action Agenda; preparation of interim products; printing, copying and postage for final Action Agenda	\$ 153,000	\$ 30,000	\$ (123,000)	
B	Action Agenda Management Staff to oversee and manage Action Agenda Development. It includes Partnership staff (Action Agenda Director and Special projects); Loaned staff; and outreach to local governments, tribes etc. (contracted, loaned, or in-house)	\$ 1,237,817	\$ 650,820	\$ (586,997)	
C	Analytic Task Phase I: Synthesis of Existing Data and Programs A) Development of models and indicators Includes assistance to NOAA Fisheries to integrate human well-being into Risk Assessment; run scenarios; and integrate human well-being into the work to identify healthily Puget Sound indicators). B) Identify current actions and strategies to restore Puget Sound. Contract support to inventory existing responsibilities and identify new opportunities (all Partnership goals and cross-goal work; work with all implementers); Two potential design charrettes	\$ 750,480	\$ -	\$ (750,480)	
D	Analytic Work - Phase II Gap Analysis Identify gaps in current programs. Synthesis of Phase I work on the status of Puget Sound; measures of ecosystem healthy, and opportunities to highlight where work is aligned or needed. Significant input from implementers	\$ 40,000	\$ -	\$ (40,000)	
E	Analytic Work - Phase III Identify Priorities, Actions and Assignments Identify Actions Using the results of the gap analysis, focused work to identify actions first at the ecosystem level, then in the seven action areas. Analytic work involves scientists and policy specialists working in focused sessions	\$ 200,000	\$ -	\$ (200,000)	
F	Analytic and Follow up Work - Phase IV Modify actions as a result of the Science Panel and public review	\$ 75,000	\$ -	\$ (75,000)	
G	Public Engagement Engagement of Action Areas, Public and Experts. Workshops and facilitation at the ecosystem and Action Area scale for the analytic tasks; focused charrettes in Phase III (identify actions); general outreach to implementers about the Action Agenda; response to public comment;	\$ 591,000	\$ -	\$ (591,000)	
H	Strategic Science Plan (related to Action Agenda) Monitoring and Adaptive Management and Research Agenda Partnership staff (Science Program Manager, Monitoring/Adaptive Management Program staff); preparation of prioritized research agenda; preparation of monitoring and adaptive management plan.	\$ 452,200	\$ 234,825	\$ (217,375)	
I	Finance Strategy Financing plan to implement the Action Agenda Contracts for cost estimates to implement the Action Agenda and development of funding strategy.	\$ 150,000	\$ -	\$ (150,000)	
	Total	\$ 3,649,497	\$ 915,645	\$ (2,733,852)	